

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

MEETING OF January 31, 2008

ITEM NUMBER 9

---

AGENCY: University of South Carolina

---

SUBJECT: Not Exceeding \$29,850,000 Athletic Facilities Revenue Bonds, Series 2008, as well as Athletic Facilities Refunding Revenue Bonds of the University of South Carolina

The Board is asked to adopt a resolution to provide for the issuance and sale of not exceeding \$29,850,000 Athletic Facilities Revenue Bonds, Series 2008, as well as Athletic Facilities Refunding Revenue Bonds of the University of South Carolina.

The proceeds of the bonds will be used for (a) providing the amount necessary, together with other available funds, to defray the cost of designing, acquiring, constructing and equipping the new varsity baseball stadium adjacent to the Columbia Campus as part of the Athletic Facilities; (b) providing money to fund any Series 2008 Debt Service Reserve Funds for the Series 2008 bonds or to purchase a debt service reserve fund substitute in lieu of such funding, all as provided in Articles V and VI of the Series Resolution; and (c) paying costs and expenses related to the issuance of the Series 2008 bonds, including without limitation the purchase of any municipal bond insurance policy as may be determined pursuant to Article V of the Series Resolution.

---

BOARD ACTION REQUESTED:

Adopt a resolution to provide for the issuance and sale of not exceeding \$29,850,000 Athletic Facilities Revenue Bonds, Series 2008, as well as Athletic Facilities Refunding Revenue Bonds of the University of South Carolina.

---

ATTACHMENTS:

Galloway 1/7/08 letter; Resolution

GREENVILLE

CHARLESTON

COLUMBIA

FLORENCE

Haynsworth  
Sinkler Boyd, PA.

ATTORNEYS AND COUNSELORS AT LAW

75 BEATTIE PLACE, 11TH FLOOR (29601-2119)  
POST OFFICE BOX 2048 (29602-2048)  
GREENVILLE, SOUTH CAROLINA  
TELEPHONE 864.240.3200  
FACSIMILE 864.240.3382  
WEBSITE [www.hsblawfirm.com](http://www.hsblawfirm.com)

January 7, 2008

Delbert Singleton  
Secretary to the Board  
State Budget and Control Board  
Wade Hampton Office Building, 6<sup>th</sup> Floor  
Columbia, South Carolina 29201

Re: Not exceeding \$29,850,000 Athletic Facilities Revenue Bonds, Series 2008, as well as Athletic Facilities Refunding Revenue Bonds, of University of South Carolina

Dear Delbert:

Enclosed please find the proposed form of resolution approving the issuance of the above-referenced bonds to be considered for adoption by the Board at its meeting of January 31, 2008. Also enclosed herewith please find executed copies of the Bond Resolution and the Series Resolution adopted by the University Board of Trustees on October 19, 2001 and December 17, 2007, respectively, authorizing the issuance of the proposed bonds.

Please call me if I may answer any questions or provide any further information. Thank you.

Very truly yours,



Robert S. Galloway, III

RSG,III:sd

Enclosure

cc: Rick Harmon (w/encl)  
Ken Corbett (w/encl)  
Leslie Brunelli (w/encl)

## **A RESOLUTION**

**APPROVING THE UNDERTAKING OF THE UNIVERSITY OF SOUTH CAROLINA TO ISSUE NOT EXCEEDING \$29,850,000 ATHLETIC FACILITIES REVENUE BONDS, SERIES 2008, AND THE REFUNDING, IF DETERMINED BY APPROPRIATE OFFICIALS, OF OUTSTANDING ATHLETIC FACILITIES REVENUE BONDS; AND OTHER MATTERS RELATING THERETO.**

**BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA, IN MEETING DULY ASSEMBLED:**

### **ARTICLE I**

#### **FINDINGS OF FACT**

As an incident to the adoption of this resolution, the State Budget and Control Board of South Carolina (the "State Board") finds:

##### **Section 1.01**

The Board of Trustees of the University of South Carolina (the "Board of Trustees") is authorized by Act No. 518 of the 1980 Session of the General Assembly of the State of South Carolina, as amended by Act No. 545 of 1986, Act No. 302 of 1996 and Act No. 6 of 1997 (the "Enabling Act") to construct and improve facilities of the University of South Carolina (the "University") designated by the Board of Trustees as intercollegiate athletic facilities ("Athletic Facilities") and to issue bonds payable from revenues of the Athletic Department (Columbia Campus) of the University (the "Athletic Department") in order to finance such construction and improvement, and to refund or advance refund outstanding revenue bonds issued pursuant to the Enabling Act.

The Board of Trustees is further authorized by the Enabling Act to further secure such bonds of the University payable from revenues of the Athletic Department by the pledge of the receipts of (i) such admissions fees as may be imposed by the Board of Trustees upon persons admitted to events held at certain of the Athletic Facilities for the purpose of providing assistance in the repayment of bonds ("Admissions Fee") and (ii) such special student fees as may be imposed by the Board of Trustees upon persons in attendance as full-time students at any regular academic session (excluding summer sessions) of the University for the purpose of providing assistance in the repayment of bonds ("Special Student Fee").

Pursuant to the authorization of the Enabling Act, the Board of Trustees adopted on October 19, 2008, a Resolution entitled "A Resolution Providing for the Issuance and Sale of Athletic Facilities Revenue Bonds of the University of South Carolina, and Other Matters Relating Thereto" (the "Bond Resolution").

##### **Section 1.02**

The Board of Trustees has determined to construct and equip a new varsity baseball stadium adjacent to the Columbia Campus as part of the Athletic Facilities (the "Project").

### Section 1.03

In order to defray a portion of the cost of the Project, pursuant to the Bond Resolution, the Board of Trustees adopted on December 17, 2007 a Series Resolution entitled "A Resolution Providing for the Issuance and Sale of Athletic Facilities Improvement Revenue Bonds of the University of South Carolina, in One or More Series, to be Designated Series 2008, in an Aggregate Principal Amount Not Exceeding Twenty-Nine Million Eight Hundred Fifty Thousand Dollars (\$29,850,000); Authorizing the Issuance of Revenue Bond Notes in Anticipation of the Issuance of Such Bonds; Authorizing the Issuance of Refunding Bonds if so Determined; and Other Matters Relating Thereto" (the "Series Resolution"). In and by the Series Resolution, the Board of Trustees determined to issue Athletic Facilities Revenue Bonds, Series 2008, of the University in a principal amount not to exceed \$29,850,000 (the "Series 2008 Bonds") for the following principal purposes:

- (a) providing the amount necessary, together with other available funds, to defray the cost of designing, acquiring, constructing and equipping the Project;
- (b) providing money to fund any Series 2008 Debt Service Reserve Fund for the Series 2008 Bonds or to purchase a debt service reserve fund substitute in lieu of such funding, all as provided in Articles V and VI of the Series Resolution; and
- (c) paying costs and expenses related to the issuance of the Series 2008 Bonds, including without limitation the purchase of any municipal bond insurance policy as may be determined pursuant to Article V of the Series Resolution.

The Board of Trustees has determined that an amount of not exceeding \$29,850,000 of proceeds of the Series 2008 Bonds will be needed to defray such costs.

### Section 1.04

Pursuant to the Series Resolution, the Board of Trustees has further authorized the State Treasurer and the Chief Financial Officer of the University in their discretion to effect a refunding of all or a part of the outstanding bonds of the University's \$21,000,000 original principal amount Athletic Facilities Revenue Bonds, Series 2002 (the "Series 2002 Bonds"), if in their determination that sufficient savings would be effected by such refunding, through the issuance of not exceeding \$19,530,000 Athletic Facilities Refunding Revenue Bonds of the University (the "Refunding Bonds").

### Section 1.05

The Board of Trustees has determined that all conditions precedent to the issuance of the Series 2008 Bonds and the Refunding Bonds, including those required by the Bond Resolution and the Enabling Act, will be met upon the issuance of the Series 2008 Bonds and the Refunding Bonds, if any.

### Section 1.06

The Bond Resolution and the Series Resolution, each in the form adopted by the Board of Trustees, have been presented to the State Board and are attached hereto.

Section 1.07

On the basis of the foregoing and after due consideration of the facts above recited and other matters appurtenant thereto, this Resolution has been adopted.

**ARTICLE II**

**AUTHORIZATION TO ISSUE AND SELL BONDS; BOND ANTICIPATION NOTES**

Section 2.01

Approval and authorization are hereby granted to the University to effect the issuance of not exceeding \$29,850,000 principal amount Athletic Facilities Revenue Bonds, Series 2008 (or such other series designation as the University may hereafter determine), of the University and to sell the same in the manner and under the conditions prescribed by the Series Resolution. Such approval shall extend to the issuance and sale of notes in anticipation of the issuance of such Bonds, not to exceed such aggregate principal amount, as may be determined to be issued by the University in accordance with Article IX of the Series Resolution.

**ARTICLE III**

**REFUNDING BONDS**

Section 3.01

In addition to the approval and authorization herein with respect to the Series 2008 Bonds, approval and authorization are hereby granted to the University to effect the issuance of the Refunding Bonds to refund all or part of the Series 2002 Bonds in accordance with the provisions hereof and of the Series Resolution, provided that the State Treasurer and the Chief Financial Officer of the University shall have determined in their discretion that sufficient savings would be effected by such refunding.

